

NEW SECTION. Sec. 9. Sections 1 through 8 of this act are added to chapter 28B.10 RCW.

Passed the House March 18, 1987.

Passed the Senate April 7, 1987.

Approved by the Governor April 22, 1987.

Filed in Office of Secretary of State April 22, 1987.

CHAPTER 148

[Substitute House Bill No. 60]

COMMERCIAL FISHERMEN PROCESSOR LIENS

AN ACT Relating to processor liens for commercial fishermen; and amending RCW 60.13.010, 60.13.020, 60.13.040, 60.13.050, and 60.13.060.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 1, chapter 412, Laws of 1985 and RCW 60.13.010 are each amended to read as follows:

As used in this chapter, the terms defined in this section have the meanings indicated unless the context clearly requires otherwise.

(1) "Agricultural product," "conditioner," "consignor," "person," "processor," and "producer" have the meanings defined in RCW 20.01.010.

(2) "Preparer" means a person engaged in the business of feeding livestock or preparing livestock products for market.

(3) "Commercial fisherman" means a person licensed to fish commercially for or to take food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute.

(4) "Fish" means food fish or shellfish or steelhead legally caught pursuant to executive order, treaty right, or federal statute.

Sec. 2. Section 2, chapter 412, Laws of 1985 and RCW 60.13.020 are each amended to read as follows:

Starting on the date a producer delivers any agricultural product to a processor or conditioner, the producer has a first priority statutory lien, referred to as a "processor lien." A commercial fisherman who delivers fish to a processor also has a first priority statutory "processor lien" starting on the date the fisherman delivers fish to the processor. This processor lien shall continue until twenty days after payment for the product is due and remains unpaid, without filing any notice of lien, for the contract price, if any, or the fair market value of the products delivered. The processor lien attaches to the agricultural products or fish delivered, to the processor's or conditioner's inventory, and to the processor's or conditioner's accounts receivable. However, no processor lien may attach to agricultural products or fish delivered by a producer or commercial fisherman, or on the producer's or fisherman's

behalf, to a processor which is organized and operated on a cooperative basis and of which the producer or fisherman is a member, nor may such lien attach to such processor's inventory or accounts receivable.

Sec. 3. Section 4, chapter 412, Laws of 1985 and RCW 60.13.040 are each amended to read as follows:

(1) A producer or commercial fisherman claiming a processor or preparer lien may file a statement evidencing the lien with the department of licensing after payment from the processor, conditioner, or preparer to the producer or fisherman is due and remains unpaid. For purposes of this subsection and RCW 60.13.050, payment is due on the date specified in the contract, or if not specified, then within thirty days from time of delivery.

(2) The statement shall be in writing, verified by the producer or fisherman, and shall contain in substance the following information:

(a) A true statement of the amount demanded after deducting all credits and offsets;

(b) The name of the processor, conditioner, or preparer who received the agricultural product or fish to be charged with the lien;

(c) A description sufficient to identify the agricultural product or fish to be charged with the lien;

(d) A statement that the amount claimed is a true and bona fide existing debt as of the date of the filing of the notice evidencing the lien; and

(e) The date on which payment was due for the agricultural product or fish to be charged with the lien.

Sec. 4. Section 5, chapter 412, Laws of 1985 and RCW 60.13.050 are each amended to read as follows:

(1) (a) If a statement is filed pursuant to RCW 60.13.040 within twenty days of the date upon which payment from the processor, conditioner, or preparer to the producer or commercial fisherman is due and remains unpaid, the processor or preparer lien evidenced by the statement continues its priority over all other liens or security interests upon agricultural products or fish, inventory, and accounts receivable, except as provided in (b) of this subsection. Such priority is without regard to whether the other liens or security interests attached before or after the date on which the processor or preparer lien attached.

(b) The processor or preparer lien shall be subordinate to liens for taxes or labor perfected before filing of the processor or preparer lien.

(2) If the statement provided for in RCW 60.13.040 is not filed within twenty days of the date payment is due and remains unpaid, the processor or preparer lien shall thereupon become subordinate to:

(a) A lien that has attached to the agricultural product or fish, inventory, or accounts receivable before the date on which the processor or preparer lien attaches; and

(b) A perfected security interest in the agricultural product or fish, inventory, or accounts receivable.

Sec. 5. Section 6, chapter 412, Laws of 1985 and RCW 60.13.060 are each amended to read as follows:

(1) The processor lien shall terminate six months after, and the preparer lien shall terminate fifty days after, the later of the date of attachment or filing, unless a suit to foreclose the lien has been filed before that time as provided in RCW 60.13.070.

(2) If a statement has been filed as provided in RCW 60.13.040 and the producer or commercial fisherman has received payment for the obligation secured by the lien, the producer or fisherman shall promptly file with the department of licensing a statement declaring that full payment has been received and that the lien is discharged. If, after payment, the producer or fisherman fails to file such statement of discharge within ten days following a request to do so, the producer or fisherman shall be liable to the processor, conditioner, or preparer in the sum of one hundred dollars plus actual damages caused by the failure.

Passed the House March 2, 1987.

Passed the Senate April 9, 1987.

Approved by the Governor April 22, 1987.

Filed in Office of Secretary of State April 22, 1987.

CHAPTER 149

[Second Substitute Senate Bill No. 5515]

VESSEL DEALER REGISTRATION REVISED

AN ACT Relating to vessel dealer registration; amending RCW 88.02.060 and 88.02.110; adding new sections to chapter 88.02 RCW; making an appropriation; prescribing penalties; declaring an emergency; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. Section 19, chapter 7, Laws of 1983 and RCW 88.02.060 are each amended to read as follows:

(1) Each vessel dealer (~~(of vessels)~~) in this state shall register with the department in the manner and upon forms prescribed by the department (~~(: Upon receipt of a dealer's application for registration and the registration fee provided in subsection (2) of this section, the dealer shall be registered and a registration number assigned.~~

~~(2))~~, in accordance with rules adopted under chapter 34.04 RCW. After the completed vessel dealer application has been satisfactorily filed and the applicant is eligible as determined by the department's rules, the department shall, if no denial proceeding is in effect, issue the vessel dealer's registration on the basis of staggered annual expiration dates.

(2) Before issuing a vessel dealer's registration, the department shall require the applicant to file with the department a surety bond in the amount of five thousand dollars, running to the state of Washington, and executed by a surety company authorized to do business in the state of